



April 2009

SCHOOL FINANCE UPDATE

A Monthly Newsletter Published by the School Finance Division

Denise Juneau, State Superintendent
Montana Office of Public Instruction
PO Box 202501
Helena, MT 59620-2501

Phone (406) 444-3024
FAX (406) 444-0509
<http://www.opi.mt.gov>

This newsletter is emailed to school districts, county superintendents, county treasurers, and auditors each month. The newsletter is intended to reach all district staff involved in budgeting, accounting, enrollment, special education funding, and federal programs. Please forward it to all interested parties. Got suggestions for items to include here? We'd love to hear from you!

Election by Acclamation Law, HB 432

Governor Schweitzer has signed into law HB 432, which allows school districts to declare trustee elections by acclamation when the number of candidates filing a nomination petition or a declaration of intent to be a write-in candidate are equal to or less than the number of open positions. A memo regarding this change can be read at:

http://www.opi.mt.gov/pdf/schoolfinance/forms/HB432_Memo.pdf

OPI Contact: Adam Anfinson, (406) 444-4524 or aanfinson@mt.gov

Montana Clean Diesel School Bus Replacement Grant

In the American Recovery and Reinvestment Act of 2009 (ARRA), Congress allocated \$300 million to support clean diesel activities under the Diesel Emissions Reduction Program (DERA) of the Energy Policy Act of 2005. DERA authorizes the U.S. Environmental Protection Agency (EPA) to support grant and loan programs administered by states and the District of Columbia that are designed to achieve significant reductions in diesel emissions. Of this \$300 million allocated to DERA under ARRA, approximately 30 percent goes to State Clean Diesel Grant programs and approximately 70 percent to national competitive grants. Under the State Clean Diesel Grant program the money was divided equally among all states and the District of Columbia. As a result, each applicant including Montana will receive approximately \$1.7 million in April 2009.

In order to qualify for funds under the State Clean Diesel Grant program, each applicant was required to submit a work plan to the EPA regional office for approval. The work plan submitted by the Montana Department of Environmental Quality (DEQ) identifies the replacement of older diesel-powered school buses as the most effective strategy, given the time constraints imposed by ARRA.

The DEQ work plan prioritizes school bus replacements using an application process. The application materials include detailed information related to prioritization using the following general criteria:

- Existing Diesel-Powered Bus Emission Rates (by vehicle/engine model year)
- Remaining Useable Life (per bus)
- Poor Air Quality Areas (bus routes located within)
- Student Rider Service Levels (rider-miles traveled/bus/school year)
- New Bus Emissions Control Level (more points for meeting the 2010 standards)
- Local Program Cash Match per Bus (extra points for a 50 percent cash match)

Montana DEQ is partnering with the Montana Office of Public Instruction (OPI). Interested local school districts will submit applications to DEQ with the information necessary to score each application based on the prioritization factors. DEQ and OPI staff will form a joint technical oversight committee to evaluate and score the applications. The application and instruction package will be developed in April.

Interested parties must notify DEQ by **May 1, 2009** to request an application package. If interested, please provide the School District Name, Contact Person, Mailing Address, Phone Numbers (Voice & Fax) and Email Address(es) to this DEQ staffer by email:

Bill Webb
Montana DEQ - Energy and Pollution Prevention Bureau
P.O. Box 200901
Helena, MT 59620-0901
406.841.5204 (voice)
406.841.5091 (fax)
Email: biwebb@mt.gov

Thank you for your interest in reducing diesel emissions and stimulating America's economy.

OPI Contact: Maxine Mougeot, (406) 444-3096 or mmougeot@mt.gov

American Recovery and Reinvestment Act Seminars

The Office of Public Instruction invites you to learn more about the American Recovery and Reinvestment Act and its impact on Montana schools through a series of five online Adobe Connect conferences.

Anyone who has the URL for the meetings can enter the room and will have the opportunity to ask questions of the presenters – OPI staff - and have access to prepared documents. All five conferences, which occur every two weeks, will be recorded and accessible for reference and for participants unable to attend at the original time.

You can listen to the first three conferences by clicking on the following links:

Overview (3-11-09) <http://connect.opi.mt.gov/p97009192/>
Assurances (3-25-09) <http://connect.opi.mt.gov/p15451037/>
Title I (4-1-09) <http://connect.opi.mt.gov/p76972922/>
Conference Materials for the above:
http://opi.mt.gov/PDF/Supt/Fed_Stimulus/Conference%20Materials/?dlast

Each subsequent conference will be held from 1:30 – 2:30 p.m. Below are the URLs to connect to each meeting.

April 22, Special Education and MOE Issues
<http://connect.opi.mt.gov/impact4/>
April 29, Legislative Wrap-up, HB2A
<http://connect.opi.mt.gov/impact5/>

You should have Flash version 8 or higher installed on your computer and a set of speakers connected. If you have never attended a Connect Pro meeting before:

Test your connection
http://connect.opi.mt.gov/common/help/en/support/meeting_test.htm
Get a quick overview: http://www.adobe.com/go/connectpro_overview

Please visit the OPI Web site for more information. The Recovery Act News tab on the right-hand side of the page links you to documents from the U.S. Department of Education (USED), including fact sheets about Title I, IDEA, Stabilization Funds and an overview, under the related documents link. As more guidance is provided by USED, we will post items in the Recovery Act News tab for your convenience.

OPI Contact: Faith Moldan, (406) 444-5643 or fmoldan@mt.gov

**Montana
Society of CPAs
Hosts GAAFR
Conference**

The Montana Society of Certified Public Accountants will hold a one-day Governmental Accounting Conference on Friday, May 1, 2009 at the GranTree Inn in Bozeman. Cost is \$135.

The conference is designed for auditors of local governments, including school districts, accountants from city, county, town and school district business offices and representatives of local government governing boards.

For more information the conference brochure is available at this link:

<http://www.mscca.org/cde.cfm?event=245252>

OPI Contact: Denise Ulberg, (406) 444-1960 or dulberg@mt.gov

**FY2009-10
Indirect Cost
Rate
Applications**

Districts that plan to charge indirect costs (e.g., general administration, accounting services, and personnel services) to FY2009-10 federal and state grant awards using an indirect cost rate must complete an indirect cost application form. Application for an indirect cost rate does not increase the amount of the grant award.

The following Indirect Cost Rate Application forms and resources for FY2009-10 are now available on the OPI website:

Indirect Cost Rate Cover Letter (please read):

<http://www.opi.mt.gov/PDF/SchoolFinance/Acct/CoverFY2010.pdf>

Indirect Cost Rate Instructions:

<http://www.opi.mt.gov/PUB/PDF/SchoolFinance/Acct/IndirectInstruction2010.pdf>

If you intend to reclassify costs to adjust your indirect cost rate please read through the indirect cost rate instructions carefully. For your convenience, costs that may be reclassified are highlighted in blue. We have also created a reclassification calculator for aiding in the determination of your adjusted indirect cost rate.

The calculator is located at the following link:

<http://www.opi.mt.gov/PUB/PDF/SchoolFinance/Acct/FY10IDCCalc.xls>

Schedule A, which shows preliminary rates is posted at:

http://www.opi.mt.gov/pub/School%20Finance/ApprovedIndirectCost/FY09_10/ScheduleA/

The Certification forms are posted at:

http://www.opi.mt.gov/pub/School%20Finance/ApprovedIndirectCost/FY09_10/Certificates/

OPI must load approved rates into E-Grants by April 30 in order for the system to allow the use of indirect costs when districts apply for FY 2009-10 grants starting May 1. Please submit indirect cost rate applications as early in April as possible to make the process smoother.

OPI Contact: Paul Taylor, (406) 444-1257 or ptaylor2@mt.gov

**E-Grants
Calendar**

The E-Grants calendar has been updated and posted on the OPI E-Grants Homepage at the following link:

<http://www.opi.mt.gov/pdf/egrants/Documents/EGrantsCalendar.pdf>

Tentative timelines for the Title I, Part A and IDEA American Recovery and Reinvestment Act (ARRA) applications are included. The OPI will keep districts posted on changes to the ARRA timelines, as more information regarding these funds becomes available.

E-Grants training will be scheduled and announced shortly. We'll be using Adobe Connect to present online sessions. The sessions will likely be held in early May after

**FY2009-10
Preliminary
General Fund
Budget Data
Sheets**

applications are released. Sessions will be recorded and posted on the OPI website for viewing at your convenience.

OPI Contact: Kellee English, (406) 444-7841 or kenglish@mt.gov

The OPI School Finance Division has released FY2009-10 Preliminary General Fund Budget Data Sheets and updated the General Fund Budget excel spreadsheets to assist schools in budgeting for the FY2009-10 school year.

The Preliminary General Fund Budget Data Sheets are posted at the following link:
<http://opi.mt.gov/Pub/School%20Finance/PreliminaryBudgetDataSheets/FY2010/>

The excel spreadsheets are posted at this link:
<http://www.opi.mt.gov/schoolfinance/excel2.html>

The data sheets contain Guaranteed Tax Base (GTB) information and all certifiable budget data available as of March 1, 2009.

The excel spreadsheets (version 3/1/09) were updated to include current rates for the special education Instructional Block Grant (IBG) and the Related Services Block Grant (RSBG). The "District Data" tab includes information for GTB, special education % in maximum, disproportionate cost reimbursements, and data needed for calculating the Indian Education for All (IEA), At Risk, Student Achievement Gap (SAG) and Quality Educator payments. Note: Please download this most recent version of the general fund excel spreadsheet. Previous versions are no longer applicable for preliminary budget purposes.

Please remember that during a legislative year, budget numbers are not final until the end of the legislative session.

To help us serve you better, please direct questions about this information to the appropriate individual:

Questions or assistance viewing files:	Donell Rosenthal (406) 444-3024
Budgeting/Entitlement Questions:	Janelle Graybeal (406) 444-3249
	Kathleen Wanner (406) 444-9852
Enrollment Questions:	Nica Carte (406) 444-4401
FTE Data for the Quality Educator Payment:	Karen Crogan (406) 444-2410
American Indian Enrollment Data:	Andy Boehm (406) 444-0375
	Linda Atwood (406) 444-6712
Title I Allocation Data:	B J Granbery (406) 444-4420
Election Questions:	Adam Anfinson (406) 444-4524

OPI Contact: Janelle Graybeal, (406) 444-3249 or jgraybeal@mt.gov

**Four-Day
School Week**

The Office of Public Instruction (OPI) has recently received several inquiries from districts about establishing four-day school weeks. Information about state laws and other items of consideration when making this important decision is available at the following link:
http://www.metnet.mt.gov/Official_mail/I02A72A03

OPI Contact: Dale Kimmet, Accreditation Specialist, (406) 444-3128 or dkimmet2@mt.gov

Summer Food Service Program

Summer is almost here! The Summer Food Service Program (SFSP) provides nutritious meals to children during the summer months when school is out. The SFSP reimburses schools and non-profit organizations that prepare and serve meals to children participating at eligible sites. For previous sponsors, applications are due by April 27, 2009. New sponsor applications are due by May 22, 2009.

OPI Contact: Sofia Janik, (406) 444-2501 or sjanik@mt.gov

Equipment Assistance Grants for School Food Authorities

Public Law 111-5, the American Recovery and Reinvestment Act of 2009 (ARRA), was signed into law by President Obama on February 17, 2009. The ARRA provides a one time appropriation of \$100 million for equipment assistance to school food authorities (SFAs) participating in the National School Lunch Program (NSLP). Funds received by Montana will be allocated to districts through competitive NSLP equipment assistance grants. As stipulated in the ARRA, priority will be given to SFAs for equipment for schools in which at least 50 percent of the students are eligible for free or reduced-priced meals.

While the primary effect of the NSLP equipment assistance grants authorized by the ARRA will be to improve the infrastructure in the NSLP, it is important to note that the authority for the grants was provided in the context of the overall effort to stimulate activity within the American economy.

NSLP equipment assistance grant applications were sent to districts during the week of March 23, 2009. The application will also be posted on the School Nutrition Programs website under Grants and Scholarships. Districts will be notified of grant awards not later than June 8, 2009. Grant recipients, through whatever means available, should fully expend their NSLP equipment assistance grants within three (3) months of the award.

OPI Contact: Christine Emerson, (406) 444-2501 or cemerson@mt.gov

New Resource - School District Charge Policy and Procedure Components

When parents fail to pay for school meals, both the students and the school district are hurt. Particularly at a time when food and labor costs are escalating, it becomes even more critical to receive payment from families for meals provided while at the same time not generating ill will in the community. School districts are encouraged to have a district-wide policy in place to consistently address this circumstance.

The School Nutrition Association resource, School District Charge Policy and Procedure Components, include successful practices that could be incorporated into a district charge policy and procedure document to cover handling unpaid meal charges and lost, stolen, and misused mediums of exchange for meal payments. The resource is available at

<http://www.opi.mt.gov/PUB/PDF/SchoolFood/Forms/SchlDistChargePolicy.pdf>

OPI Contact: Christine Emerson, (406) 444-2501 or cemerson@mt.gov

FY2009-10 Farm to School Mini-Grant Program

The Farm to School Mini Grant Program is offered by Montana Team Nutrition Program to schools in support of their efforts to develop and implement Farm to School Programs. Six mini-grants of up to \$1,000 each will be awarded to school districts through a competitive grant process. The mini-grant program application packet will be available in early April at <http://www.opi.mt.gov/schoolfood/grants.html>

OPI Contact: Katie Bark, (406) 994-5641 or kbark@mt.gov

Ways to Assist Families During Economic Downturn

Schools can assist families who may be experiencing financial hardships by sending reminders to households to remind them that they may apply for free and reduced price meal benefits at any time during the school year.

OPI Contact: Christine Emerson, (406) 444-2501 or cemerson@mt.gov

Please Review Coding of Federal Reimbursement in School Food Service Fund 12

Federal reimbursements received from the U.S. Department of Agriculture (USDA) School Nutrition Programs should be coded using revenue source code **4550 Federal School Food Reimbursement** in the School Food Service Fund 12. We discovered several instances where an incorrect code was used on the FY2007-08 Trustees Financial Summary (TFS) to report this revenue.

OPI collects and compiles information from the TFS to complete annual reports of school fiscal data to the National Center for Education Statistics (NCES). Coding errors on the TFS directly affect OPI's ability to file accurate reports. Please review your accounting records to ensure that federal reimbursements in the school food service fund are reported on the FY2008-09 TFS using revenue source code 4550.

OPI Contact: Rebecca Phillips, (406) 444-0783 or rphillips2@mt.gov

Useful Links

State Entitlement Payments to Schools:
<http://www.opi.mt.gov/PUB/School%20Finance/Payments/>

School Accounting: <http://www.opi.mt.gov/SchoolFinance/Acct.html>

Forms and Publications: <http://www.opi.mt.gov/SchoolFinance/Enrollment.html>

Pupil Transportation: <http://www.opi.mt.gov/PupilTransport/index.html>

Enrollment and ANB: <http://www.opi.mt.gov/SchoolFinance/Enrollment.html>

Tuition: <http://www.opi.mt.gov/SchoolFinance/Forms.html>

Audit Information: <http://www.opi.mt.gov/SchoolFinance/Audit.html>

School Finance Calendar: <http://www.opi.mt.gov/calendar/calendar.php?calendar=2>

School Finance Division Staff

Nica Carte ncarte@mt.gov
Janelle Graybeal jgraybeal@mt.gov
Rebecca Phillips rphillips2@mt.gov
Paul Taylor ptaylor2@mt.gov
Adam Anfinson aanfinson@mt.gov

Kathleen Wanner kwanner@mt.gov
Denise Ulberg dulberg@mt.gov
Donell Rosenthal drosenthal@mt.gov
Maxine Mougeot mmougeot@mt.gov

Spring Poem

So have we survived another winter?

Pleasure once again will soon come out to play!

Remember when our days were dark and bitter?

In just a few short weeks, winter days will be over.

Nests will soon be full with birds of a sunny day.

Gripped by the cold winter days, now sunshine is on its way!

Happy Easter



From your friends in the
School Finance Division!